

BUSINESS MEETING OF THE

MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, August 11, 2015

Lansing District Office

525 W Allegan Lansing MI 48909

Present: Andrew J. Deloney, Chairman

Teri L. Quimby, Commissioner Dennis Olshove, Commissioner

Absent: None

00140411/4004

Staff: Steve Robinson, Director of Finance Division

Pam Hamilton, Deputy Director of Finance Division

Anita Fawcett, Executive Services Division

The meeting was called to order by Chairman Deloney at 11:14 a.m., noting a quorum was present.

I. Moved by Commissioner Olshove, supported by Commissioner Quimby, that the minutes of the Commission meeting of July 14, 2015, be approved as written and presented, motion carried by unanimous vote.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the minutes of the Closed Session meeting of August 4, 2015, be approved as written and presented, motion carried by unanimous vote.

- II. Ms. Hamilton presented the E-Quote reports for product listings in four categories and requested approval of the following:
 - **A.** That the products listed below be granted exceptions to the standard pack size, inasmuch as the items are packaged nationally or meets other exceptions as indicated and be approved for listing in the approved products list effective August 30, 2015:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	PACK SIZE
Ambrabev, LLC (NWS Michigan, LLC)	750ml Boteco Berry Vodka 750ml Boteco Lime Vodka 750ml Boteco Vodka 750ml Espirito Cachaca Rum	6 Bottles 6 Bottles 6 Bottles 6 Bottles

Bacardi U.S.A., Inc. (General Wine & Liquor Co.)	50ml Grey Goose Variety 6 Pk	72 Bottles
Batch 206 Distillery, LLC (NWS Michigan, LLC)	750ml Barrel Raider Sour Mash	6 Bottles
Jim Beam Brands Co.	750ml Laphroaig 15 Yr. Scotch	6 Bottles
(NWS Michigan, LLC)	750ml Laphroaig 25 Yr. Scotch	6 Bottles
Brown-Forman Corporation	750ml J Daniels Sngl Brrl-Brrl Proof	6 Bottles
(General Wine & Liquor Co.)	Ç	
Buzzballz, LLC	200ml Buzzballz Blueberry Blitz PL	24 Bottles
(General Wine & Liquor Co.)	200ml Buzzballz Ginger Mule PL	24 Bottles
,	200ml Buzzballz Pumpkin Pie Eater PL	24 Bottles
	200ml Buzzballz Sinner Apple Fire PL	24 Bottles
Castle Brands (USA) Corp.	750ml Jefferson's Rsrv Groth Cask	6 Bottles
(NWS Michigan, LLC)	750ml Jefferson's The Manhattan	6 Bottles
` ,	750ml Gran Orendain Reposado Tequila	6 Bottles
(General Wine & Liquor Co.)		
	750ml Gran Orendain Blanco Tequila	6 Bottles
(NWS Michigan, LLC)	750ml J Seeds Apple Cider Whiskey	6 Bottles
E. & J. Gallo Winery	200ml Shellback Spiced Rum	24 Bottles
(General Wine & Liquor Co.)		
Goamericago Beverages, LLC	750ml Whistlepig Old World 12 Yr. Rye	6 Bottles
(NWS Michigan, LLC)	γ,	
William Grant & Sons, Inc.	200ml Glenfiddich 12, 15 & 18 yr. 3 Pk	12 Bottles
(General Wine & Liquor Co.)	375ml Kininvie 23 Yr. Scotch	6 Bottles
,	750ml Ladyburn 42 Yr. Scotch	1 Bottle
Heaven Hill Distilleries, Inc.	750ml Lunazul Dbbl Barrl Reposado	6 Bottles
(General Wine & Liquor Co.)	'	
High Five Spirits LLC	750ml Gypsy Vodka	6 Bottles
(General Wine & Liquor Co.)	, , , , , , , , , , , , , , , , , , ,	
MHW Ltd.	100ml Rum Chata 3 Pk	60 Bottles
(General Wine & Liquor Co.)		
MHW Ltd.	750ml Hedonism Quindecimus Scotch	6 Bottles
(NWS Michigan, LLC)		
McCormick Distilling Company, Inc.	50ml Platte Valley Fireshine PL	60 Bottles
(General Wine & Liquor Co.)	•	
Ole Smoky Distillery, LLC	750ml Ole Smoky Moonshine Pumpkin	6 Bottles
(NWS Michigan, LLC)	·	
Park Street Imports LLC	750ml High Stick Vodka Hockey Stick	6 Bottles
(NWS Michigan, LLC)	•	
Pernod Ricard USA, LLC	750ml Martell L'Or Cognac	1 Bottle
(NWS Michigan, LLC)		

Phillips Products Co., LLC (General Wine & Liquor Co.) Popcorn Sutton Distilling LLC (General Wine & Liquor Co.)	50ml Revel Stoke Pumpkin Spiced PL 750ml The Antiquary Scotch 750ml Popcorn Sutton Small Batch	60 Bottles 6 Bottles 6 Bottles
Proximo Spirits, Inc.	750ml 1800 Essential Silver K Haring	6 Bottles
(NWS Michigan, LLC)	750ml Kraken Blk Spc Rum Ceramic Bttl	6 Bottles
` ,	375ml Russian Standard Gold Vodka	12 Bottles
Sabemos Beverages, LLC	750ml Bracero Anejo Tequila	6 Bottles
(General Wine & Liquor Co.)	750ml Bracero Blanco Tequila	6 Bottles
	750ml Bracero Reposado Tequila	6 Bottles
	750ml Tavi Tequila Anejo	6 Bottles
	750ml Tavi Tequila Platinum	6 Bottles
	750ml Tavi Tequila Reposado	6 Bottles
	750ml Wicked Spirits 87 American Box	6 Bottles
Sazerac Company, Inc.	375ml Hartley Peach VSOP	24 Bottles
(NWS Michigan, LLC)	50ml Rich & Rare Apple PL Whiskey	60 Bottles
Shaw Ross International Importers (NWS Michigan, LLC)	750ml Pez Gordo Tequila Blanco	6 Bottles
Skyy Spirits, LLC	750ml Russell's Rsrv Sngl Brrl Rye	6 Bottles
(General Wine & Liquor Co.)	750ml Wild Turkey Master's Keep	6 Bottles
Stoller Wholesale Wine &	•	
Spirits, Inc.	50ml Outerspace Vodka	60 Bottles
(NWS Michigan, LLC)	750ml Outerspace Vodka	6 Bottles
Sugarlands Distilling Company, LLC	750ml Sugarlands Shine Apple Pie	6 Bottles
(NWS Michigan, LLC)	750ml Sugarlands Shine Blackberry	6 Bottles
	750ml Sugarlands Shine Butterscotch	6 Bottles
	750ml Sugarlands Shine Cinnamon	6 Bottles
	750ml Sugarlands Shine Lemonade	6 Bottles
	750ml Sugarlands Shine Moonshine	6 Bottles
	750ml Sugarlands Shine Peach	6 Bottles
	750ml Sugarlands Shine Silver Cloud	6 Bottles
	750ml Sugarlands Shine Sweet Tea	6 Bottles
24Ligne, LLC (NWS Michigan, LLC)	750ml Black Button Bespoke Bbn Cream	6 Bottles
Diageo Americas, Inc. (NWS Michigan, LLC)	750ml Johnnie Walker Select Rye Cask	6 Bottles
Wilson Daniels, Ltd.	750ml Crystal Head Aurora Vodka	6 Bottles
(General Wine & Liquor Co.)	750ml The Last Drop 48 Yr. Blended	1 Bottle
Western Spirits Beverage	375ml Twenty Grand Black Vodka	12 Bottles
Company, LLC	750ml Twenty Grand Black Vodka	6 Bottles
(NWS Michigan, LLC)	200ml Twenty Grand Gold Vodka	24 Bottles

	375ml Twenty Grand Gold Vodka	12 Bottles
	750ml Twenty Grand Gold Vodka	6 Bottles
	200ml Twenty Grand Peach Vodka	24 Bottles
	375ml Twenty Grand Peach Vodka	12 Bottles
	750ml Twenty Grand Peach Vodka	6 Bottles
	50ml Twenty Grand Vodka	60 Bottles
Winebow, Inc.	750ml Blackwoods Small Batch Gin	6 Bottles
(NWS Michigan, LLC)	750ml Highland Queen Scotch	6 Bottles
	750ml Highland Queen 12 Yr. Scotch	6 Bottles
	750ml Lord Lt. Kinahan's Blend Irish	6 Bottles
	750ml Lord T. Kinahan's Malt Irish	6 Bottles

That the request of Working Bugs, LLC, holder of 2015 Small Distiller license, for addition of the following products to the case size exception products list, be approved for listing, effective August 30, 2015; further prior to any sale and distribution of these products through the Commission's spirit distribution system, Working Bugs, LLC, must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for these products:

<u>PRODUCT</u>	<u>PACK SIZE</u>
1000ml Red Cedar Spirits Apple Distil Vodka	6 Bottles
1000ml Red Cedar Spirits Corn Whiskey	6 Bottles
1000ml Red Cedar Spirits Gin	6 Bottles
1000ml Red Cedar Spirits Grain Distil Vodka	6 Bottles

A. That the products listed below be granted exceptions to the standard pack size, inasmuch as the items are packaged nationally or meets other exceptions as indicated and be approved for listing in the approved products list effective October 4, 2015:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	PACK SIZE
Luxco, Inc. (NWS Michigan, LLC)	750ml El Mayor Extra Anejo Tequila	3 Bottles

B. That the following requests for addition of product to the approved products list be approved for listing, effective August 30, 2015:

Bacardi U.S.A., Inc. (General Wine & Liquor Co.) Batch 206 Distillery, LLC (NWS Michigan, LLC)	200ml Bacardi Black Rum 375ml Bacardi Black Rum 750ml Batch 206 Vodka 750ml Batch 206 Vodka Mad Mint 750ml Counter Gin 750ml Counter Old Tom Gin	48 Bottles 24 Bottles 12 Bottles 12 Bottles 12 Bottles 12 Bottles 12 Bottles
Sazerac North America, Inc.	750ml 99 Butterscotch Schnapps	12 Bottles
(NWS Michigan, LLC)	750ml 99 Pineapples Schnapps 750ml Jolly G. Boots Spiked Egg Nog	12 Bottles 12 Bottles
Jim Beam Brands Co. (NWS Michigan, LLC)	1750ml Calico Jack Spiced PL Rum	6 Bottles
Brown-Forman Corporation (General Wine & Liquor Co.)	50ml Southern Comfort Cherry PL	120 Bottles
Duggan's Distillers Products Corp. (NWS Michigan, LLC)	750ml Medea Vodka	12 Bottles
Fish Hook Distilling Company, LLC (General Wine & Liquor Co.)	750ml Valentine Nellos Rye Whiskey	12 Bottles
Frank-Lin Distillers Products, Ltd. (NWS Michigan, LLC)	750ml Gran Citron	12 Bottles
Le Vecke Corporation (General Wine & Liquor Co.)	50ml Uncle Bob's Root Beer Whsky PL	120 Bottles
MHW Ltd.	50ml Blue Chair Bay Banana Rum Crm	120 Bottles
(General Wine & Liquor Co.)	50ml Blue Chair Bay Coco Spice Crm	120 Bottles
Global Spirits USA, LLC	750ml Khortytsa De Luxe Vodka	12 Bottles
(NWS Michigan, LLC)	750ml Khortytsa Ice Vodka	12 Bottles
(ga, ===)	750ml Khortytsa Pepper Honey Hot	12 Bottles
	750ml Khortytsa Platinum Vodka	12 Bottles
Pernod Ricard USA, LLC	50ml Malibu Peaches N' Cream PL	120 Bottles
(NWS Michigan, LLC)		
Premiere Distillery, LLC (NWS Michigan, LLC)	750ml Earth Mama Top Secret Vodka	12 Bottles
Proximo Spirits, Inc.	1750ml Jose Cuervo Golden Marg Stwbry	6 Bottles
(NWS Michigan, LLC)	1750ml Three Olives Vanilla Vodka	6 Bottles
RGI Brands, LLC	750ml Orange V Vodka	12 Bottles
(NWS Michigan, LLC)	3	
Sabemos Beverages, LLC	750ml Wicked 84 1/2 Whiskey	12 Bottles
(General Wine & Liquor Co.)	750ml Wicked Lightening Fire Bolt	12 Bottles
, ,	750ml Wicked Spirits 87 American	12 Bottles
Sazerac Company, Inc.	750ml Dr. McGill Apple Whiskey PL	12 Bottles
(NWS Michigan, LLC)	750ml Dr. McGill Blackberry Whiskey	12 Bottles
- ,	750ml Dr. McGill Honey Whiskey	12 Bottles

	750ml Dr. McGill Peach Whiskey	12 Bottles
	750ml Rich & Rare Apple Whiskey	12 Bottles
Terressentia Corporation	750ml Entice Amaretto	12 Bottles
(General Wine & Liquor Co.)	750ml Entice Banana	12 Bottles
	750ml Entice Coffee	12 Bottles
	750ml Entice Creme De Cacao	12 Bottles
	750ml Entice Crème De Menthe	12 Bottles
	750ml Entice Triple Sec	12 Bottles
Diageo Americas, Inc.	50ml Baileys Variety 4 Pk	120 Bottles
(NWS Michigan, LLC)	750ml Smirnoff Peppermint Twist	12 Bottles
	50ml Smirnoff Peppermint Twist PL	120 Bottles
	750ml Studebaker Manhattan	12 Bottles
	750ml Studebaker Old Fashioned	12 Bottles
USA Wine Imports, Inc.	375ml M Henri Bern Beudin Calavados	24 Bottles
(General Wine & Liquor Co.)	375ml Navazos Palazzi Amontillado	24 Bottles
Veev Spirits L.L.C.	750ml Veev Vitafrute Gngr Pear Mule	12 Bottles
(General Wine & Liquor Co.)		
Western Spirits Beverage		
Company, LLC	100ml Twenty Grand Peach Vodka	48 Bottles
(NWS Michigan, LLC)		
Winebow, Inc.	750ml Highland Queen 8 Yr. Scotch	12 Bottles
(NWS Michigan, LLC)		

That the request of Detroit City Distillery, LLC, holder of 2015 Small Distiller license, for addition of the following product to the approved products list, be approved for listing, effective August 30, 2015; further prior to any sale and distribution of this product through the Commission's spirit distribution system, Detroit City Distillery, LLC must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for this product:

PRODUCT PACK SIZE 750ml Slaughterhouse Rye Whiskey 12 Bottles

That the request of Fish Hook Distilling Company, LLC, holder of 2015 Small Distiller license, for addition of the following product to the approved products list, be approved for listing, effective August 30, 2015; further prior to any sale and distribution of this product through the Commission's spirit distribution system, Fish Hook Distilling Company, LLC must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for this product:

PRODUCT PACK SIZE 750ml Proprietor's Select 7 Yr. Bourbon 12 Bottles

That the request of Mammoth Distilling LLC, holder of 2015 Small Distiller license, for addition of the following product to the approved products list, be approved for listing, effective August 30, 2015; further prior to any sale and distribution of this product through the Commission's spirit distribution system, Mammoth Distilling LLC must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for this product:

PRODUCT PACK SIZE 750ml Mammoth Wood Boat Rum 12 Bottles

C. That the following requests for promotional or special packaging be approved for listing, effective August 30, 2015:

COMPANY/ADA	<u>PRODUCT</u>	PACK SIZE
Bacardi U.S.A., Inc. (General Wine & Liquor Co.)	750ml Bacardi Gold w/Phone Charger 750ml Bacardi Superior w/Phone Chrger 750ml Cazadores Reposado w/ 2 Sht Gls 1750ml Grey Goose w/ 2 Gls	12 Bottles 12 Bottles 6 Bottles 3 Bottles
Jim Beam Brands Co. (NWS Michigan, LLC)	750ml Basil Hayden's w/Copper Shaker 750ml Canadian Club w/Glass 750ml Courvoisier VS w/Gls 750ml Courvoisier VSOP w/Gls 750ml Jim Beam Devils Cut w/ 2 Sht Gls 50ml Jim Beam Variety PL 4 Pk 750ml Jim Beam w/2 Glasses 750ml Jim Beam w/50 ml JB Apple	6 Bottles 6 Bottles 6 Bottles 6 Bottles 6 Bottles 120 Bottles 6 Bottles 12 Bottles
Brown-Forman Corporation (General Wine & Liquor Co.)	750ml Pinnacle w/3-50ml #2 750ml J Daniels Old 7 Blk w/Alumn Bttl	6 Bottles 6 Bottles
Constellation Brands, Inc. (General Wine & Liquor Co.)	750ml Casa Noble Blanco w/Gl, Clips, Bk	6 Bottles
MHW, Ltd. (General Wine & Liquor Co.)	750ml Rum Chata w/50ml Tip Cow Variet	y 6 Bottles
Proximo Spirits, Inc. (NWS Michigan, LLC)	750ml 1800 Silver w/2 Shot Gls 750ml Maestro Diamante w/Drum & Stks 1750ml Three Olives w/50ml Blueberry 1750ml Three Olives w/50ml Peach 1750ml Three Olives w/50ml Pineapple 750ml Three Olives w/Flask	6 Bottles 6 Bottles 6 Bottles 6 Bottles 6 Bottles 6 Bottles

Remy Cointreau USA, Inc. (NWS Michigan, LLC)	750ml Cointreau w/Lime Squeezer/Shkr	6 Bottles
Savvy Distillers, L.P. (NWS Michigan, LLC)	1750ml Deep Eddy Vodka w/4-50ml PL	3 Bottles
Shaw Ross International Importers (NWS Michigan, LLC)	750ml Aguardiente Cristal Liq w/Gl 750ml Capel Premium Pisco w/Gl 750ml Liquore Strega (It) w/2 Sht Gls 750ml Ron Viejo De Caldas w/Gl	6 Bottles 6 Bottles 6 Bottles 6 Bottles
Skyy Spirits, LLC (General Wine & Liquor Co.)	750ml Frangelico Liq 40 w/Candle	6 Bottles
Diageo Americas, Inc. (NWS Michigan, LLC)	750ml Crown Royal w/2 Reusable Cups	6 Bottles
Veev Spirits, L.L.C. (General Wine & Liquor Co.) Western Spirits Beverage	750ml Veev Vodka w/50ml Veev	6 Bottles
Company, LLC (NWS Michigan, LLC)	750ml Twenty Grand Gold w/100ml Peach	6 Bottles
W.J. Deutsch & Sons, Ltd. (General Wine & Liquor Co.)	750ml Licor 43 w/2 Gls	6 Bottles

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective August 30, 2015:

PRODUCT	PACK SIZE
750ml Hedonism Quindecimus Scotch	12 Bottles
750ml Ole Smoky Moonshine Pumpkin	12 Bottles
750ml Feckin (Irish) Whiskey	12 Bottles
750ml UV Blue Raspberry/Lemonade	12 Bottles
750ml UV Candy Bar PL Vodka	12 Bottles
200ml UV Chocolate Cake Vodka	24 Bottles
750ml UV Chocolate Cake Vodka	12 Bottles
750ml UV Chocolate Cake Vodka PL	12 Bottles
1000ml UV Grapefruit Vodka	12 Bottles
1750ml UV Limeade Cocktail PL	6 Bottles
375ml UV Salty Watermelon Vodka	12 Bottles
50ml UV Variety Gravity Feed PI #1	60 Bottles
375ml UV Whipped Vodka	12 Bottles
1000ml UV Whipped Vodka	12 Bottles
	750ml Hedonism Quindecimus Scotch 750ml Ole Smoky Moonshine Pumpkin 750ml Feckin (Irish) Whiskey 750ml UV Blue Raspberry/Lemonade 750ml UV Candy Bar PL Vodka 200ml UV Chocolate Cake Vodka 750ml UV Grapefruit Vodka 1750ml UV Grapefruit Vodka 1750ml UV Limeade Cocktail PL 375ml UV Salty Watermelon Vodka 50ml UV Variety Gravity Feed PI #1 375ml UV Whipped Vodka

RGI Brands, LLC	750ml Redemption High-Rye Bbn	12 Bottles
(NWS Michigan, LLC)	750ml Redemption Rye	12 Bottles
	750ml Redemption White Rye	12 Bottles
	750ml Riverboat Rye	12 Bottles
	1000ml Riverboat Rye	12 Bottles
	750ml Temptation Bourbon	12 Bottles
Sazerac Company, Inc. (NWS Michigan, LLC)	375ml Hartley Peach VSOP	12 Bottles

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective October 4, 2015:

<u>COMPANY</u>	PRODUCT	PACK SIZE
Luxco, Inc. (NWS Michigan, LLC)	750ml El Mayor Extra Anejo Tequila	6 Bottles

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the above actions be taken in accordance with the E-Quote reports dated August 6, 2015, motion carried by unanimous vote.

III. Ms. Hamilton presented licensee requests for special price reductions on spirit products in accordance with the provisions of the Commission's Order of September 11, 2012 regarding special price reductions on spirit products, which was effective on January 1, 2013. She advised there were eight six (86) different licensees requesting price reductions; that 2172 product price reductions could be approved; and that 12 product price reductions should be denied.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the 2172 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor reports, motion carried by unanimous vote.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the 11 special price reductions be denied for the reason stated in the attached Notification of Denial for Price Reduction reports, motion carried by unanimous vote.

IV. Ms. Hamilton requested approval of a bulletin that lists tentative quotation filing deadlines for the year 2016. She advised this is routine reminder for the filing dates for new items and case cost changes for the upcoming year.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that Bulletin 2015-06, be approved as written and presented, motion carried by unanimous vote.

V. Mr. Robinson presented the June 2015 Financial Report which shows the results of our operations for the period of October 1, 2014 through June 30, 2015. He advised this report contains the same number of weeks of spirit sales as the June 2014 report. Mr. Robinson stated the Total Gross Sales increased over last year by approximately \$51.8 million (6.1%), and that Distilled Spirit cases sold increased to 182,938 (3.2%). He advised the Net Income from spirit sales increased almost \$11.5 million (8.8%), and that Beer taxes were down by \$6.3 million with Wine taxes also down by 911,000. Mr. Robinson advised the Beer and Wine taxes are lower primarily due to the new tax collection system.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the June 2015 Financial Report, be accepted, motion carried by unanimous vote.

VI. Mr. Robinson advised the Commission of seven (7) requests for distilled spirit products distribution changes, per Administrative Order 2015-04, dated April 7, 2015. He advised that five (5) of the requests will move products from General Wine and Spirits to NWS Michigan, LLC, involving 46 products; the other two (2) requests would move products from NWS Michigan, LLC to General Wine and Spirits, involving 27 products. Chairman Deloney acknowledged the changes.

VII. Old Business.

There was no Old Business.

VIII. New Business.

There was no New Business.

IX. Public Comments.

Attorney Christopher Bernard inquired on the status of the General Rule changes from the public hearing held on January 2015. He stated he represents various clients and wondered when they would be approved Chairman Deloney advised there are some language changes and as some of the changes were not included in the public hearing, another hearing would be held. He advised we are looking at the end of September or first of October to schedule a hearing.

With no further business, moved by Commissioner Olshove, supported by Commissioner Quimby, that the business meeting be adjourned at 11:27 a.m., motion carried by unanimous vote.

Andrew J. Deloney Chairman